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BEFORE THE POSTAL RATE COMMISSION WASHINGTON, D.C. 20268–0001

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POSTAL RATE COMMISSION OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 2000

Docket No. R2000-1

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS STEVENS TO QUESTION POSED AT HEARINGS BY COMMISSIONER GOLDWAY

The United States Postal Service hereby provides the written response of witness Stevens to the oral question posed by Commissioner Goldway at hearings on Thursday, May 4, 2000.

The question is stated verbatim and is followed by the response.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr. Chief Counsel, Ratemaking

Eric P. Koetting

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RESPONSE OF POSTAL SERVICE WITNESS STEVENS TO ORAL QUESTION OF COMMISSIONER GOLDWAY

Tr. 17/6699-700. "And we noticed that there was a vehicle that is still in service, purchased in 1944 at a cost of \$1,998, with an accumulated depreciation of \$1,899. So we were wondering what that vehicle might be. And there were a couple of others that struck us as well, the 1961 vehicle that cost \$474, and the 1965 vehicle at \$225. We were curious, in general, about some of these very old vehicles still in service. ... Would it be possible to get the information on those vehicles from 1944 to 1965, there are a total of six of them?"

RESPONSE: To clarify my response at the hearing, the Postal Service limits depreciation to acquisition cost less salvage value for vehicles. Therefore, many of the older vehicles on the list are fully depreciated. The value associated with them reflects their salvage value only. Also, the VMAS vehicle inventory includes both motorized and non-motorized vehicles, explaining the long service life of some of the vehicles. The table below provides information on the vehicles that you were interested in.

Year Acquired	Current Function	Make/Model
1944	Vehicle Maintenance	11'6" Mail Haul Trailer
1961	Disposed AP 07 - 1999	Vehicle Transport Trailer
1962 (vehicle1)	Transportation (MVS)	11'6" Mail Haul Trailer
1962 (vehicle2)	Disposed AP 10 - 1999	11'6" Mail Haul Trailer
1963	Delivery Operations	Non-road Use Storage Trailer
1965	Transportation (MVS)	Non-road Use Storage Trailer

DECLARATION

I, Dennis P. Stevens, declare under penalty of perjury that the foregoing answers are true and correct to the best of my knowledge, information, and belief.

Date: 5/8/2000

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.

Eric P. Koetting

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